BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2023

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FOR THE YEAR ENDED AUGUST 31, 2023

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INTRODUCTORY SECTION

CERTIFICATE OF BOARD

Bridgeport Independent School District	Wise	249-903
Name of School District	County	Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended August 31, 2023, at a meeting of the Board of Trustees of such school district on the ___ day of _____, _____.

_____ Signature of Board Secretary

_____ Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are): (attach list as necessary)

FINANCIAL SECTION

EDGIN, PARKMAN, FLEMING & FLEMING, PC
CERTIFIED PUBLIC ACCOUNTANTS

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MICHAEL D. EDGIN, CPA
DAVID L. PARKMAN, CPA
A. PAUL FLEMING, CPA

Independent Auditor's Report

Board of Trustees
Bridgeport Independent School District
2107 15th Street
Bridgeport, Texas 76426

Members of the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District (District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District as of August 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule – General Fund, and schedules related to the District's participation in the Teacher Retirement System of Texas identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying other supplementary information comprised of required Texas Education Agency schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information comprised of required Texas Education Agency schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Required Responses to Selected School FIRST Indicators but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated January 2, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

Edgin, Parkman, Fleming & Fleming, PC

Edgin, Parkman, Fleming & Fleming, PC

January 2, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Bridgeport Independent School District, we offer readers of the District's Annual Financial Report this narrative overview and analysis of the District's financial performance during the fiscal year ended August 31, 2023. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at August 31, 2023 by $26,899,490 (net position). The District's unrestricted net position was a deficit of $6,589,821. This deficit is caused by the effects of GASB 68 and 75, which reduced unrestricted net position by $15,844,995

- During the year, the District's total net position increased by $3,316,772. The District's expenses, which totaled $28,744,213 were less than the District's program revenues of $8,189,645 and general revenues of $23,871,340.

- The total cost of the District's programs increased $939,703 or 3% from the prior year.

- The governmental funds reported a fund balance at year-end of $13,595,839, which is an increase of $101,335.

- At the end of the current fiscal year, the unassigned fund balance of the General Fund was $7,351,130, or 33% of the total General Fund expenditures. The fund balance decreased $391,018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

All of the District's services are reported in the government-wide financial statements, including instruction, student support services, student transportation, general administration, school leadership, and food services. Property taxes, state and federal aid, and investment earnings finance most of the activities. Additionally, all capital and debt financing activities are reported here.

The government-wide financial statements are designed to provide readers a broad overview of the District's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all the District's assets, liabilities, and deferred inflows and outflows with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *statement of activities* details how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected property taxes and earned but unused vacation leave).

Fund Financial Statements

The District uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the District's most significant funds – not the District as a whole. Some funds are required by State law and or bond covenants. Other funds may be established by the District to control and manage money for particular purposes or to evidence appropriate use of certain taxes, grants, and other special revenues.

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's short-term financing requirements.

Because the focus on *governmental funds* is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations facilitate the comparison between *governmental funds* and *governmental activities*.

The District maintained multiple governmental funds in fiscal year 2022-23. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund, SSA Special Education Fund, and Debt Service Fund, which are considered to be major funds. Financial data for the other governmental funds are combined into a single, aggregated presentation.

The ***proprietary fund*** is used to account for operations that are financed similar to those in the private sector. This fund provides both long- and short-term financial information. The District maintains only one type of proprietary fund, the *internal service fund*. The *internal service fund* is a device used to accumulate and allocate costs internally among the various functions. The District uses the *internal service fund* to report the activities for its self-funded workers' compensation program.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's programs. The District is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the District's fiduciary activities are reported in a separate statement of fiduciary net position.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* that further explains and supports the information in the financial statements. Immediately following the *required supplementary information* is the *other supplementary information* which includes required TEA schedules.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. Exhibited below in Table 1 is the District's net position summarized for the *governmental activities*.

Table 1 - District's Net Position

	Governmental Activities			
	2023	2022	Change	% Change
Current and other assets	$ 17,179,990	$ 16,536,504	$ 643,486	4%
Capital assets, net	39,700,591	40,311,007	(610,416)	-2%
Total Assets	56,880,581	56,847,511	33,070	0%
Deferred outflows	5,358,253	3,484,885	1,873,368	54%
Current liabilities	2,998,910	1,973,146	1,025,764	52%
Noncurrent liabilities	24,130,116	25,005,672	(875,556)	-4%
Total Liabilities	27,129,026	26,978,818	150,208	1%
Deferred inflows	8,210,318	9,235,796	(1,025,478)	-11%
Net position:				
Net investment in capital assets	30,408,830	25,914,454	4,494,376	17%
Restricted	3,080,481	3,306,288	(225,807)	-7%
Unrestricted	(6,589,821)	(5,102,960)	(1,486,861)	29%
Total Net Position	$ 26,899,490	$ 24,117,782	$ 2,781,708	12%

The net investment in capital assets (e.g. land, buildings, furniture, and equipment less any related debt used to acquire those assets that is still outstanding) is $30,408,830. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

A portion of the District's net position, $3,080,481, represents resources that are subject to external restrictions on how they may be used, mostly for debt service. The remaining balance of net position of a negative $6,589,821 is reported as unrestricted net position.

Changes in Net Position

The District's total revenues, both program and general, were $32,060,985. A significant portion, 60%, of the District's revenue comes from property taxes. State aid formula grants provided 12% of the revenues, and 23% comes from operating grants and contributions. Exhibited below in Table 2 are the District's revenues for the years ended August 31, 2023 and 2022 for the District's *governmental activities*.

Table 2 - District's Revenues

	Governmental Activities			
	2023	Percent	2022	Percent
Charges for services	$ 683,722	2%	$ 2,399,793	8%
Operating grants and contributions	7,472,848	23%	6,699,649	22%
Capital grants and contributions	33,075	0%	-	0%
Property taxes	18,992,799	60%	16,418,808	53%
State aid formula grants	3,755,681	12%	4,773,100	15%
Grants and contributions not restricted	112,787	0%	-	0%
Investment earnings	689,220	2%	89,173	0%
Miscellaneous	320,853	1%	519,394	2%
Total Revenues	$ 32,060,985	100%	$ 30,899,917	100%

Exhibited below in Table 3 are the District's expenses for the years ended August 31, 2023 and 2022 for the District's *governmental activities*. The total cost of all programs and services was $28,744,213. Instructional and related costs totaled 50% of these costs while student support was 20%, nonstudent support was 16%, and other costs were 14%.

Table 3 - District's Expenses

	Governmental Activities			
	2023	Percent	2022	Percent
Instructional & related	$ 14,399,650	50%	$ 14,882,567	53%
Leadership	2,135,680	7%	1,728,785	6%
Student support	5,754,007	20%	4,968,016	18%
Administrative support	1,297,829	5%	1,075,795	4%
Nonstudent support	4,487,390	16%	3,859,469	14%
Other	669,657	2%	1,289,878	5%
Total Expenses	$ 28,744,213	100%	$ 27,804,510	100%

Governmental Activities

Table 4 presents the various revenue categories and gross costs of each of the District's functional areas for both the current and prior year. Following the table, we provide explanations for the significant or unusual fluctuations between the two years.

Table 4 - Changes in Net Position

	Governmental Activities			
	2023	2022	Change	% Change
Revenues:				
Program revenues:				
Charges for services	$ 683,722	$ 2,399,793	$ (1,716,071)	-72%
Operating grants and contributions	7,472,848	6,699,649	773,199	12%
Capital grants and contributions	33,075	-	33,075	N/A
General revenues:				
Property taxes	18,992,799	16,418,808	2,573,991	16%
State aid formula grants	3,755,681	4,773,100	(1,017,419)	-21%
Grants and contributions not restricted	112,787	-	112,787	N/A
Investment earnings	689,220	89,173	600,047	673%
Miscellaneous	320,853	519,394	(198,541)	-38%
Total revenues	32,060,985	30,899,917	1,161,068	4%
Expenses				
Instruction	14,231,591	14,643,103	(411,512)	-3%
Instructional resources and media services	125,442	150,122	(24,680)	-16%
Curriculum and staff development	42,617	89,342	(46,725)	-52%
Instructional leadership	291,852	119,304	172,548	145%
School leadership	1,843,828	1,609,481	234,347	15%
Guidance, counseling, and evaluation services	1,429,911	1,156,738	273,173	24%
Health services	306,351	244,793	61,558	25%
Student transportation	1,031,036	1,013,815	17,221	2%
Food services	1,460,923	1,311,335	149,588	11%
Cocurricular/extracurricular activities	1,525,786	1,241,335	284,451	23%
General administration	1,297,829	1,075,795	222,034	21%
Facilities maintenance and operations	3,466,091	3,011,059	455,032	15%
Security and monitoring services	285,262	214,245	71,017	33%
Data processing services	736,037	634,165	101,872	16%
Interest on long-term debt	318,331	399,551	(81,220)	-20%
Bond issuance costs and fees	12,280	500	11,780	2356%
Payments to shared service arrangements	41,578	619,544	(577,966)	-93%
Other intergovernmental charges	297,468	270,283	27,185	10%
Total expenses	28,744,213	27,804,510	939,703	3%
Change in net position	$ 3,316,772	$ 3,095,407	$ 221,365	7%

- Charges for services decreased $1,716,071, or 72%, due to the SSA Special Education Fund local revenue from the member districts being reported as operating grants and contributions in the current year and the prior year amount being overstated by $619,544 (failed to eliminate interfund revenues and expenditures).

- Operating grants and contributions increased $773,199, or 12%, due to the SSA Special Education Fund local revenue from the member districts being reported in this area in the current year instead of charges for services.

- Property taxes (M&O and I&S) increased $2,573,991, or 16%, due to the increase in property values as the overall tax rate stayed the same.

- State aid formula grants decreased $1,017,419, or 21%, mostly due to the increase in property tax values though the student counts increased.

- Investment earnings increased $600,047, or 673%, from the prior year. Most of the increase is due to the continued increasing interest rates from close to zero at the beginning of the prior year to around 5% at the end of the current year.

- Facilities maintenance and operations expenses increased by $455,032, or 15%, from the prior year. The increase is mostly due to the HVAC replacement project during the current year.

- Payments to shared service arrangements expenses decreased by $577,966, or 93%, from the prior year. The decrease is due to the interfund revenues and expenditures of $645,464 being eliminated for the financial statements in the current year.

Table 5 presents the net cost of the District's governmental functions (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state aid, and other miscellaneous general revenues.

Table 5 - Net Cost of Selected District Functions

	Governmental Activities			
	2023	Percent	2022	Percent
Instructional & related	$ 10,178,181	50%	$ 8,971,006	48%
Leadership	1,723,885	8%	1,746,184	9%
Student support	2,572,983	13%	2,254,372	12%
Administrative support	1,270,953	6%	1,099,310	6%
Nonstudent support	4,345,917	21%	3,344,318	18%
Other	462,649	2%	1,289,878	7%
Total Net Costs	$ 20,554,568	100%	$ 18,705,068	100%

Financial Analysis of the District's Funds

As previously stated, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

Governmental Funds

The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of August 31, 2023, the District's governmental funds reported a combined ending fund balance of $13,595,839, an increase of $101,335 from the previous year. Table 6 illustrates the fund balances of the governmental funds.

Table 6 - Governmental Funds - Fund Balances
August 31, 2023

	General Fund	SSA Special Ed Fund	Debt Service Fund	Other Nonmajor Funds	Totals
Nonspendable:					
Prepaid items	$ 73,901	$ -	$ -	$ -	$ 73,901
Restricted for:					
Federal/state funds grant restrictions	-	-	-	996,850	996,850
Retirement of long-term debt	-	-	1,993,809	-	1,993,809
Committed for:					
Construction	2,200,000	-	-	-	2,200,000
Self-insurance	50,000	-	-	-	50,000
Assigned	698,492	-	-	231,657	930,149
Unassigned	7,351,130	-	-	-	7,351,130
Total Fund Balances	$ 10,373,523	$ -	$ 1,993,809	$ 1,228,507	$ 13,595,839

General Fund

At the end of the current fiscal year, the ending fund balance for the General Fund was $10,373,523. $73,901 of the fund balance was nonspendable for prepaid items, $2,200,000 was committed for future construction, $50,000 was committed for self-insurance, $698,492 was assigned for the 2023-24 adopted budget deficit, and the remaining $7,351,130 is unassigned. The unassigned fund balance represents 33%, or 4 months, of the total General Fund expenditures for the year ended August 31, 2023. The fund balance decreased $391,018 in the current fiscal year.

General Fund revenues totaled $21,004,885, a decrease of $62,092, or less than 1%, from the preceding year.

General Fund expenditures totaled $22,317,563, an increase of $1,710,161, or 8%, from the preceding year. The most significant changes between years are as follows:

- Instructional leadership expenditures increased $174,820, or 131%. The increase is mostly due to adding full-time employees to this department in the current year.
- Facilities maintenance and operations expenditures increased by $598,030, or 21%. The increase is due to one-time expenditures for the HVAC project in the current year.
- Data processing expenditures increased $595,020, or 147%. The increase is due to the purchases of chromebooks and laptops in the current year.
- Debt service expenditures increased $186,530, or 23%. The increase is due to the issuance of new copier leases in the current year.

The General Fund other sources and uses was a net other sources of $921,660 in the current year compared to zero in the prior year. This was due to proceeds from a note payable and right-to-use lease liabilities issued in the current year.

SSA Special Education Fund

For fiscal year 2023 the SSA Special Education Fund is a major reportable fund. This fund has no fund balance as it simply reports revenues and expenditures of a federal grant program. The fund had revenues of $2,370,875, expenditures of $2,428,893, and other financing sources of $58,018 in the current year.

Debt Service Fund

The Debt Service Fund ended fiscal year 2023 with a fund balance of $1,993,809, all of which is restricted for the retirement of long-term debt. The fund balance increased $324,322 in the current year.

Total revenues increased $1,748,452, or 81%. The increase was almost all due to an increase in local and intermediate sources due to an increase in the taxable value of property on which the tax is levied while the interest and sinking tax rate also increased substantially. Debt service expenditures remained consistent with the prior year.

The Debt Service Fund other financing uses totaled $1,399,526 in the current year compared to zero in the prior year. This was due to the defeasance of a portion of the Series 2020 bonds during the current year.

Other Governmental Funds

Other governmental funds consist of the various Special Revenue Funds. The total ending fund balance for all other governmental funds combined was $1,228,507, an increase of $168,031 from the previous year. All of the restricted ending fund balance is for the national school lunch and breakfast program, and all of the assigned portion is for campus activities.

Overall, revenues decreased $795,422, or 12%, from the preceding year. This decrease is attributable to federal program revenues decreasing by $1,391,240, or 21%, mostly due to less ESSER grant funding in the current year, and local and intermediate sources revenues increasing by $515,130, or 621%, mostly due to additional local food service revenue after the federal COVID relief program of providing all meals free ended in the prior year.

Expenditures decreased $711,548, or 11%, from the prior year. The most significant variances related to the following:

- Instruction expenditures decreased $766,292, or 22%, mostly due to fewer ESSER funds expended in the current year as the ESSER grant funding ended.
- Transportation expenditures decreased from $110,599 to $0 due to one-time purchase of a bus using ESSER funds in the prior year.
- Cocurricular/extracurricular activities expenditures increased $211,772, or 71%, mostly due to the campus activity fund expenditures being properly reported in this function in the current year.
- Data processing services expenditures decreased from $243,560 to $0 due to one-time technology purchases using ESSER funds in the prior year.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget several times. With these adjustments, actual expenditures were $447,300 less than the final budget amounts. The student transportation and general administration functional areas had favorable variances of $132,940 and $140,882, respectively.

Concerning budgeted revenues, resources available were $7,801 more than the final budgeted amount. Local and intermediate sources were $146,017 more than the final budgeted amount due to tax collections above budgeted collection amounts. State program revenues were $251,002 less than the final budgeted amount due to less state aid than budgeted. Federal program revenues were $112,786 more than the final budgeted amount due to additional Medicaid revenue received during the year.

As noted previously, the original budget was amended throughout the year. Some of the budget line items in the original budget were materially different than the final adopted budget as follows:

- State program revenues were increased by $466,468 to allow for additional Foundation and TRS on-behalf revenues not in the original budget.
- Federal program revenues were decreased by $609,804 due to the anticipation of very little Medicaid revenue.
- Instruction expenditures were decreased $223,595 in order to have salaries paid out of ESSER funds.
- Facilities maintenance and operations expenditures were increased by $646,004 to allow for additional costs related to the HVAC project not in the original budget.
- Data processing services expenditures were increased by $549,236 to allow for the purchase of chromebooks and laptops not in the original budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At August 31, 2023, the District had invested in a broad range of capital assets totaling $39,700,591, net of accumulated depreciation, including land, buildings and improvements, and furniture and equipment. See Table 7 below.

Table 7 - Capital Assets, Net

	2023	2022	Change	% Change
Land	$ 1,050,353	$ 1,050,353	$ -	0%
Buildings and improvements	36,075,243	37,260,576	(1,185,333)	-3%
Furniture and equipment	2,338,101	1,979,433	358,668	18%
Right-to-use leased assets - furniture and equipment	236,894	20,645	216,249	1047%
Totals	$39,700,591	$40,311,007	$ (610,416)	-2%

Capital assets, net of accumulated depreciation, decreased $610,416, or 2%, from the previous year. Additional information about the District's capital assets is presented in the notes to the financial statements.

Long-term Debt

At August 31, 2023, the District had $11,236,712 in long-term debt outstanding as shown in Table 8 below.

Table 8 - Long-term Debt

	2023	2022	Change	% Change
General obligation bonds	$ 6,350,000	$ 9,360,000	$ (3,010,000)	-32%
Bond premiums	1,708,874	2,022,935	(314,061)	-16%
Notes payable	2,941,761	2,991,702	(49,941)	-2%
Right-to-use lease liabilities	236,077	21,916	214,161	977%
Totals	$ 11,236,712	$ 14,396,553	$ (3,159,841)	-22%

The District's bonds presently carry a rating of "AAA" with S&P Global Ratings and an underlying rating of "A+". Additional information about the District's long-term debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Revenues in the General Fund's 2023-24 budget are $21,004,885, an increase of $1,967,756, or 9%, from the General Fund's actual 2022-23 revenues. Local revenues are budgeted to increase $1,196,077 due to the increase in local property tax values and state program revenues are budgeted to increase $867,757 due to the Foundation funding increase due to the golden penny yield.

The General Fund budgeted expenditures for 2023-24 are $22,317,563, an increase of $3,353,570, or 15%, from the prior year's actual expenditures. The most significant changes between years are:

- Instruction is budgeted to increase $1.437.616, or 15%, due to a combination of a 3% salary increase and the transition of expenditures back to the General Fund with the expiration of the ESSER grants.

- Data processing services are budgeted to decrease $537,951, or 54%, as no capital outlay is budgeted in 2023-24.

- Capital outlay is budgeted is to increase $2,150,000 from zero for the purchase of land.

If the budget is maintained, the District's General Fund's fund balance is budgeted to decrease $2,698,492 from the balance at August 31, 2023. Most of the budgeted decrease is included in the District's committed fund balance at August 31, 2023.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Office.

BASIC FINANCIAL STATEMENTS

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2023

Data Control Codes		1 Governmental Activities
	Assets	
1110	Cash and cash equivalents	$ 6,225,700
1120	Current investments	9,214,549
1225	Property taxes receivable, net	597,774
1240	Due from other governments	1,062,210
1260	Due from fudiciary funds	4,224
1290	Other receivables	1,632
1410	Unrealized expenses	73,901
	Capital assets:	
1510	Land	1,050,353
1520	Buildings and improvements, net	36,075,243
1530	Furniture and equipment, net	2,338,101
1550	Right-to-use leased assets, net	236,894
1000	Total assets	56,880,581
	Deferred outflows of resources	
1701	Deferred loss on refunding bonds	99,526
1705	Pension-related outflows	3,438,373
1706	OPEB-related outflows	1,820,354
1700	Total deferred outflows of resources	5,358,253
	Liabilities	
2110	Accounts payable	666,472
2140	Accrued interest payable	14,417
2160	Accrued wages payable	1,265,988
2180	Due to other governments	1,008,992
2200	Accrued expenses	34,696
2300	Unearned revenues	8,345
	Noncurrent liabilities:	
2501	Portion due or payable within one year	2,488,339
2502	Portion due or payable after one year	8,748,373
2540	Net pension liability	8,220,926
2545	Net OPEB liability	4,672,478
2000	Total liabilities	27,129,026
	Deferred inflows of resources	
2605	Pension-related inflows	864,490
2606	OPEB-related inflows	7,345,828
2600	Total deferred inflows of resources	8,210,318
	Net Position	
3200	Net investment in capital assets	30,408,830
	Restricted for:	
3820	Debt service	2,083,631
3850	Food service	996,850
3900	Unrestricted	(6,589,821)
3000	Total net position	$ 26,899,490

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues: Charges for Services	4 Program Revenues: Operating Grants and Contributions	5 Program Revenues: Capital Grants and Contributions	6 Net (Expense) Revenue and Changes in Net Position: Governmental Activities
	Governmental activities:					
11	Instruction	$ 14,231,591	$ 31,000	$ 4,186,164	$ -	$ (10,014,427)
12	Instructional resources and media services	125,442	-	4,305	-	(121,137)
13	Curriculum and staff development	42,617	-	-	-	(42,617)
21	Instructional leadership	291,852	-	10,424	-	(281,428)
23	School leadership	1,843,828	-	401,371	-	(1,442,457)
31	Guidance, counseling, & evaluation services	1,429,911	-	1,052,582	-	(377,329)
33	Health services	306,351	-	39,202	-	(267,149)
34	Student transportation	1,031,036	-	30,539	-	(1,000,497)
35	Food services	1,460,923	292,322	1,324,968	-	156,367
36	Cocurricular/extracurricular activities	1,525,786	360,400	81,011	-	(1,084,375)
41	General administration	1,297,829	-	26,876	-	(1,270,953)
51	Facilities maintenance and operations	3,466,091	-	52,908	-	(3,413,183)
52	Security and monitoring services	285,262	-	43,723	-	(241,539)
53	Data processing services	736,037	-	11,767	33,075	(691,195)
72	Interest on long-term debt	318,331	-	165,430	-	(152,901)
73	Bond issuance costs and fees	12,280	-	-	-	(12,280)
93	Payments to shared service arrangements	41,578	-	41,578	-	-
99	Other intergovernmental charges	297,468	-	-	-	(297,468)
	Total governmental activities	$ 28,744,213	$ 683,722	$ 7,472,848	$ 33,075	(20,554,568)
	General revenues:					
MT	Property taxes, levied for general purposes					15,299,289
DT	Property taxes, levied for debt service					3,693,510
IE	Investment earnings					689,220
SF	State aid formula grants					3,755,681
GC	Grants and contributions not restricted to specific programs					112,787
MI	Miscellaneous					320,853
TR	Total general revenues					23,871,340
CN	Change in net position					3,316,772
NB	Net position - beginning, as originally stated					24,117,781
PA	Prior period adjustments					(535,063)
NB	Net position - beginning, as restated					23,582,718
NE	Net position - ending					$ 26,899,490

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
AUGUST 31, 2023

Data Control Codes		10 General Fund	SSA Special Ed Fund	50 Debt Service Fund
	Assets			
1110	Cash and cash equivalents	$ 4,537,304	$ 484,722	$ 12,594
1120	Current investments	6,859,789	314,335	1,985,940
1225	Property taxes receivable (net)	494,723	-	103,051
1240	Due from other governments	461,407	-	-
1260	Due from other funds	286,425	-	-
1290	Other receivables	797	-	-
1410	Unrealized expenditures	73,901	-	-
1000	Total assets	$ 12,714,346	$ 799,057	$ 2,101,585
	Liabilities			
2110	Accounts payable	$ 367,093	$ 63,660	$ -
2160	Accrued wages payable	1,015,809	170,737	-
2170	Due to other funds	5,456	188,836	-
2180	Due to other governments	436,036	372,169	4,725
2200	Accrued expenditures	21,706	3,655	-
2300	Unearned revenues	-	-	-
2000	Total liabilities	1,846,100	799,057	4,725
	Deferred inflows of resources			
	Unavailable property taxes	494,723	-	103,051
2600	Total deferred inflows of resources	494,723	-	103,051
	Fund balances			
	Nonspendable:			
3430	Prepaid items	73,901	-	-
	Restricted:			
3450	Federal/state funds grant restrictions	-	-	-
3480	Retirement of long-term debt	-	-	1,993,809
	Committed:			
3510	Construction	2,200,000	-	-
3540	Self-insurance	50,000	-	-
3590	Assigned	698,492	-	-
3600	Unassigned	7,351,130	-	-
3000	Total fund balances	10,373,523	-	1,993,809
4000	Total liabilities, deferred inflows of resources and fund balances	$ 12,714,346	$ 799,057	$ 2,101,585

See accompanying notes to the basic financial statements.

Other Nonmajor Funds	98 Total Governmental Funds
$ 1,160,302	$ 6,194,922
54,485	9,214,549
-	597,774
600,803	1,062,210
-	286,425
835	1,632
-	73,901
$ 1,816,425	$ 17,431,413
$ 235,719	$ 666,472
79,442	1,265,988
63,078	257,370
196,062	1,008,992
5,272	30,633
8,345	8,345
587,918	3,237,800
-	597,774
-	597,774
-	73,901
996,850	996,850
-	1,993,809
-	2,200,000
-	50,000
231,657	930,149
-	7,351,130
1,228,507	13,595,839
$ 1,816,425	$ 17,431,413

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

AUGUST 31, 2023

Total fund balances - governmental funds (Exhibit C-1)		$ 13,595,839
Amounts reported for *governmental activities* in the Statement of Net Position (Exhibit A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:		
Gross capital assets	$ 69,934,339	
Related accumulated depreciation	30,233,748	39,700,591
Property taxes receivable are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the funds.		597,774
Long-term liabilities are not due and payable in the current period and therefore not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
General obligation bonds	6,350,000	
Notes payable	2,941,761	
Right-to-use lease liabilities	236,077	(9,527,838)
Premiums on issuance and deferred loss on refunding are expended in the fund level financial statements; however, they are capitalized and amortized in the government-wide financial statements:		
Premiums on issuance of current interest bonds	(1,708,874)	
Deferred loss on refunding	99,526	(1,609,348)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, interest expenditures are recorded only when due.		(14,417)
The District's net pension liability and related deferred outflows and inflows related to its proportionate share of the Teacher Retirement System pension and OPEB plans are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
Net pension liability	8,220,926	
Deferred outflows - pension related items	(3,438,373)	
Deferred inflows - pension related items	864,490	
Net OPEB liability	4,672,478	
Deferred outflows - OPEB related items	(1,820,354)	
Deferred inflows - OPEB related items	7,345,828	(15,844,995)
An internal service fund is used by management to charge the costs of worker's compensation claims to the individual funds. The assets and liabilities of the internal service fund are included with the governmental activities.		1,884
Total net position - governmental activities (Exhibit A-1)		$ 26,899,490

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		10 General Fund	SSA Special Ed Fund	50 Debt Service Fund
	Revenues			
5700	Local and intermediate sources	$ 16,159,865	$ 2,230,391	$ 3,838,221
5800	State program revenues	4,732,234	140,484	75,907
5900	Federal program revenues	112,786	-	-
5020	Total revenues	21,004,885	2,370,875	3,914,128
	Expenditures			
0011	Instruction	9,569,419	1,778,987	-
0012	Instructional resources and media services	131,029	-	-
0013	Curriculum and staff development	42,617	-	-
0021	Instructional leadership	307,992	-	-
0023	School leadership	1,416,599	571,790	-
0031	Guidance, counseling, & evaluation services	469,558	11,140	-
0033	Health services	279,421	43,271	-
0034	Student transportation	922,881	282	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	1,223,250	-	-
0041	General administration	1,338,706	-	-
0051	Facilities maintenance and operations	3,456,447	8,518	-
0052	Security and monitoring services	235,700	-	-
0053	Data processing services	1,000,680	-	-
0071	Principal on long-term debt	801,488	13,871	1,710,000
0072	Interest on long-term debt	178,844	1,034	468,000
0073	Bond issuance costs and fees	-	-	12,280
0093	Payments to shared service arrangements	645,464	-	-
0099	Other intergovernmental charges	297,468	-	-
6030	Total expenditures	22,317,563	2,428,893	2,190,280
1100	Excess of revenues over (under) expenditures	(1,312,678)	(58,018)	1,723,848
	Other Financing Sources (Uses)			
7913	Issuance of right-to-use lease liabilities	216,130	58,018	-
7914	Issuance of note payable	705,530	-	-
8949	Other use - payment to refunding escrow agent	-	-	(1,399,526)
7080	Total other financing sources (uses)	921,660	58,018	(1,399,526)
1200	**Net change in fund balance**	(391,018)	-	324,322
0100	**Fund balances - beginning, as originally stated**	10,802,014	497,590	1,669,487
1300	**Prior period adjustments**	(37,473)	(497,590)	-
	Fund balances - beginning, as restated	10,764,541	-	1,669,487
3000	**Fund balances - ending**	$ 10,373,523	$ -	$ 1,993,809

See accompanying notes to the basic financial statements.

Other Nonmajor Funds	98 Total Governmental Funds
$ 598,137	$ 22,826,614
183,563	5,132,188
5,146,528	5,259,314
5,928,228	33,218,116
2,697,227	14,045,633
-	131,029
-	42,617
-	307,992
-	1,988,389
1,031,185	1,511,883
-	322,692
-	923,163
1,535,873	1,535,873
299,785	1,523,035
-	1,338,706
79,107	3,544,072
75,443	311,143
-	1,000,680
79,106	2,604,465
-	647,878
-	12,280
41,578	687,042
-	297,468
5,839,304	32,776,040
88,924	442,076
-	274,148
79,107	784,637
-	(1,399,526)
79,107	(340,741)
168,031	101,335
1,060,476	14,029,567
-	(535,063)
1,060,476	13,494,504
$ 1,228,507	$ 13,595,839

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED AUGUST 31, 2023

Net change in fund balances - total governmental funds (Exhibit C-2)		$ 101,335
Amounts reported for *governmental activities* in the Statement of Activities (Exhibit B-1) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:		
Capital outlay during the year	$ 1,153,970	
Depreciation expense for the year	1,764,386	(610,416)
Because property tax receivables will not be collected for several months after the District's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred inflows decreased by this amount this year.		63,982
When long-term debt is issued, the proceeds are reported as other sources in the governmental funds. However, they are reported as liabilities in the Statement of Net Position. The total long-term debt issued in the current year was:		
Notes payable	784,636	
Right-to-use lease liabilities	274,149	(1,058,785)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year long-term debt principal payments are summarized as follows:		
General obligation bonds	1,710,000	
Notes payable	834,577	
Right-to-use lease liabilities	59,988	2,604,565
During the year, the District refunded previously issued bonds. The payment to the escrow agent was recorded as an other use in the fund-level financial statements. However, the amount is capitalized and amortized as part of the loss on refunding bonds in the government-wide financial statements.		1,399,526
Interest is accrued on long-term debt in the government-wide financial statements, whereas interest is reported when due in the governmental fund financial statements. Accrued interest decreased by:		15,386
The premium on the current interest bonds and the deferred loss on refunding is amortized over the term of the respective bonds. The net amortization for the year was:		314,061
The District participates in a defined benefit pension plan. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, pension expenses are recognized on an actuarial basis. Payments were less than the actuarial expense in the current year.		(206,188)
The District participates in an OPEB plan through TRS. Contributions to the plan are expenditures at the fund level when payments are due. At the government-wide level, OPEB expenses are recognized on an actuarial basis. Payments were more than the actuarial expense in the current year.		691,422
An internal service fund is used by management to charge the costs of worker's compensation claims to the individual funds. The net revenue (loss) of the internal service fund is reported with governmental activities.		1,884
Change in net position of governmental activities (Exhibit B-1)		$ 3,316,772

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
INTERNAL SERVICE FUND
AUGUST 31, 2023

Data Control Codes		Governmental Activities Internal Service Funds
	Assets	
	Current assets:	
1110	Cash and cash equivalents	$ 30,778
1260	Due from other funds	1,359
	Total current assets	32,137
1000	Total assets	32,137
	Liabilities	
	Current liabilities:	
2170	Due to other funds	26,190
2200	Accrued expenses	4,063
	Total current liabilities	30,253
2000	Total liabilities	30,253
	Net Position	
3900	Unrestricted	1,884
3000	Total net position	$ 1,884

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - INTERNAL SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Governmental Activities Internal Service Funds
	Operating revenues:	
5700	Internal service charges	$ 185
5020	Total operating revenues	185
	Operating expenses:	
6100	Payroll costs	(1,642)
6030	Total operating expenses	(1,642)
	Operating income	1,827
	Nonoperating revenue:	
7955	Earnings from temp. deposits and investments	57
8030	Total nonoperating revenue	57
1300	Change in net position	1,884
	Net position - beginning	-
	Net position - ending	$ 1,884

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2023

	Governmental Activities Internal Service Funds
Cash flows from operating activities:	
Cash received from user charges	$ 185
Cash payments for claims	(1,827)
Cash payments to employees for services	1,642
Net cash flows from operating activities	-
Cash flows from investing activities:	
Interest on investments	57
Net cash flows from investing activities	57
Net Increase in Cash and Cash Equivalents	57
Cash and Cash Equivalents - Beginning	30,721
Cash and Cash Equivalents - Ending	$ 30,778
Reconciliation of operating income to net cash from operating activities:	
Operating income	$ 1,827
Adjustments to reconcile operating income to net cash flows from operating activities:	
Increase (decrease) in liabilities:	
Accrued expenses	(1,827)
Total adjustments	(1,827)
Net cash flows from operating activities	$ -

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
AUGUST 31, 2023

Data Control Codes		Private-Purpose Trust Funds Local Scholarship Funds	Custodial Funds Student Activity
	Assets		
1110	Cash and cash equivalents	$ -	$ 140,178
1290	Other receivables	-	50
1410	Deferred expenses	-	890
1800	Restricted assets	28,272	-
1900	Long-term investments	298,708	-
1000	Total assets	326,980	141,118
	Liabilities		
	Current Liabilities:		
2110	Accounts payable	-	5,147
2170	Due to other funds	-	4,224
2000	Total liabilities	-	9,371
	Net Position		
3800	Held in trust	326,980	131,747
	Total net position	$ 326,980	$ 131,747

See accompanying notes to the basic financial statements.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

AUGUST 31, 2023

	Private-Purpose Trust Funds	Custodial Funds
	Local Scholarship Funds	Student Activity
Additions		
Gifts and contributions	$ 110,012	$ -
Investment income	15,847	-
Student activity	-	163,730
Total additions	125,859	163,730
Deductions		
Scholarship awards	108,727	-
Student activity	-	143,150
Total deductions	108,727	143,150
Change in net position	17,132	20,580
Net position - beginning of year	309,848	111,167
Net position - end of year	$ 326,980	$ 131,747

See accompanying notes to the basic financial statements.

A. Summary of Significant Accounting Policies

The basic financial statements of Bridgeport Independent School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (Resource Guide). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees (Board), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (TEA) or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity except for the Bridgeport ISD Education Foundation, Inc. (Foundation).

The Foundation was established as a not-for-profit entity to provide assistance and support for teachers and students to develop special programs and projects and support other District activities. This entity is a related organization of the District as defined by GASB Statement No. 14. The members of the board of the Foundation are appointed by an outside taxpayer group; however, the sole purpose of the organization is for the support of the District and due to the fact that the assets held by the Education Foundation are material, the assets, liabilities, net position, current year earnings and expense have been included as a fiduciary fund component unit.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

SSA – Special Education Fund: This special revenue fund accounts for the activities of the Wise County SSA, for which the District is the fiscal agent. The SSA provides special education services to students in the six member districts. This is not a budgeted fund.

Debt Service Fund: This fund is used to account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

In addition, the District reports the following fund types:

Governmental Funds:

Special Revenue Funds: The District accounts for activities funded with restricted or committed revenues in special revenue funds. Most federal and some state grant programs are accounted for in these funds.

Proprietary Funds:

Internal Service Fund: This fund is used to account for revenues and expenses related to self-funded workers' compensation services provided to parties inside the District. This fund facilitates distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

The Internal Service Fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Internal Service Fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds:

Private-Purpose Trust Fund: The District accounts for donations for which the donor stipulated that both the principal and income may be used for purposes that benefit parties outside the District.

Custodial Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. These funds are reported in the fiduciary fund financial statements. Because their assets are held in a custodial capacity and are, therefore, not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual

concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash and cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At August 31, 2023, net property taxes receivable is calculated as follows:

Gross property taxes receivable	$780,960
Allowance for uncollectible taxes	(183,186)
Net property taxes receivable	$597,774

c. Inventories and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Deferred Outflows/Inflows of Resources

Deferred outflows of resources refers to the consumption of net assets that are applicable to a future reporting period. Deferred outflows of resources has a positive effect on net position, similar to assets. Notwithstanding the similarities, Concepts Statement 5 clearly establishes that deferred outflows of resources are not assets.

Deferred inflows of resources refers to the acquisition of net assets that are applicable to a future reporting period. Deferred inflows of resources has a negative effect on net position, similar to liabilities. Notwithstanding the similarities, Concepts Statement 5 clearly establishes that deferred inflows of resources are not liabilities.

e. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of $5,000 is used.

Capital assets are depreciated using the straight-line method over the following useful lives:

Asset Class	Estimated Useful Lives
Buildings	60 years
Building improvements	7 - 40 years
Vehicles and equipment	5 - 10 years
Right-to-use lease assets	4 - 5 years

f. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables, except for delinquent taxes receivable, which are not scheduled for collection within one year of year end. Of the $780,960 outstanding at August 31, 2023, it is expected that the District will collect approximately $150,000 during the upcoming year.

g. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line on the government-wide statement of net position.

h. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Accordingly, actual results could differ from those estimates.

The amount of Foundation revenues a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is reasonably possible that Foundation revenue estimates as of August 31, 2023 will change.

i. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

j. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action (passage of resolution) by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation. At August 31, 2023, the Board of Trustees have committed fund balances of $2,200,000 for construction and $50,000 for self-insurance.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Per the fiscal management policies adopted by the Board of Trustees, the Board of Trustees, Superintendent and Chief Financial Officer are authorized to assign amounts for specific purposes. Specific amounts that are not restricted or committed in a special revenue, capital projects, or debt service fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself. At August 31, 2023, $698,492 has been assigned for the adopted deficit budget in the General Fund for the year ending August 31, 2024.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

k. Fund Balance Flow Assumptions

The District will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance, and then, finally, unassigned fund balance.

l. Net Position Flow Assumptions

Consistent with the aforementioned policy for fund balance flow assumptions, the District considers amounts to have been spent first out of restricted net position when an expense is incurred for which restricted and unrestricted net position are available.

m. Pension

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from TRS' fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

n. Other Post-Employment Benefits

The fiduciary net position of the TRS's Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

The District had no violations of finance-related legal and contractual provisions for the year ended August 31, 2023, except for expending more than the General Fund budgeted amounts in the functional areas of school leadership ($4,124), guidance, counseling and evaluation services ($769), cocurricular/extracurricular activities ($5,411), security and monitoring services ($7,454), and interest on long-term debt ($4,229).

2. Deficit Fund Balance or Fund Net Position of Individual Funds

The District did not incur a deficit fund balance in any fund during the current school year.

C. Deposits and Investments

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

1. Cash Deposits:

At August 31, 2023, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was $6,225,700 and the bank balance was $6,393,576. The District's cash deposits at August 31, 2023, and during the year ended August 31, 2023, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act (Act) requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District's investments at August 31, 2023, are shown below.

Investment or Investment Type	Weighted Average Maturity (Days)	Fair Value
TexPool Investment Pool	24	$9,214,549

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability. The District values its investment in TexPool investment pool at net asset value per unit/share.

Public Funds Investment Pools

Public funds investment pools in Texas (Pools) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Act, Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares. The District participates in the following public funds investment pool:

TexPool Investment Pool

The TexPool Local Government Investment Pool (TexPool) is a local government investment pool organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts oversees TexPool. Federated Investors, Inc. is the administrator and

investment manager of TexPool under a contract with the State Comptroller. In accordance with the Public Funds Investment Act, the State Comptroller has appointed the TexPool Investment Advisory Board to advise with respect to TexPool. The board is composed equally of participants in TexPool Portfolios and other persons who do not have a business relationship with TexPool Portfolios and are qualified to advise in respect to TexPool Portfolios. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAm by Standard & Poor's. All investments are stated at amortized cost, which usually approximates the market value of the securities. The stated objective of TexPool is to maintain a stable average $1.00 per unit net asset value; however, the $1.00 net asset value is not guaranteed or insured. The financial statements can be obtained from the Texas Trust Safekeeping Trust Company website at www.ttstc.org.

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit

standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate charges. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Private-Purpose Trust Funds

The Bridgeport ISD Education Foundation is reported as a private-purpose trust fund and had long-term investments in the Statement of Fiduciary Net Position consisting of the following as of August 31, 2023:

Investment or Investment Type	Weighted Average Maturity (Days)	Fair Value
Certificates of deposit	127	$135,884
Money market	1	79,667
Variable annuity	1	83,157
		$298,708

The certificate of deposit and money market accounts are valued based on their bank statements and the variable annuity is valued at fair value based on published values (Level 2).

D. Capital Assets

Capital asset activity for the year ended August 31, 2023 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 1,050,353	$ -	$ -	$ 1,050,353
Total capital assets not being depreciated	1,050,353	-	-	1,050,353
Capital assets being depreciated:				
Buildings and improvements	60,632,447	33,075	-	60,665,522
Equipment and vehicles	6,833,125	846,746	-	7,679,871
Right-to-use leased assets	264,444	274,149	-	538,593
Total capital assets being depreciated	67,730,016	1,153,970	-	68,883,986
Less accumulated depreciation for:				
Buildings and improvements	23,371,871	1,218,408	-	24,590,279
Equipment and vehicles	4,853,692	488,078	-	5,341,770
Right-to-use leased assets	243,799	57,900	-	301,699
Total accumulated depreciation	28,469,362	1,764,386	-	30,233,748
Total capital assets being depreciated, net	39,260,654	(610,416)	-	38,650,238
Governmental activities capital assets, net	$40,311,007	($ 610,416)	$ -	$39,700,591

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	$1,018,143
School Leadership	4,835
Student Transportation	145,044
Food Services	26,690

Extracurricular Activities	37,887
General Administration	5,833
Facilities Maintenance and Operations	474,175
Security and Monitoring Services	8,589
Data Processing Services	43,190
Total governmental depreciation	$1,764,386

E. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and from other funds at August 31, 2023, consist of the following:

Due To Fund	Due From Fund	Amount	Purpose
General Fund	SSA Special Ed. Fund	$187,477	Short-term loan
General Fund	Other Governmental Funds	63,078	Short-term loan
General Fund	Internal Service Fund	26,190	Short-term loan
General Fund	Custodial Fund	4,224	Short-term loan
General Fund	General Fund	5,456	Short-term loan
Internal Service Fund	SSA Special Ed. Fund	1,359	Short-term loan
	Total	$287,784	

All amounts due are scheduled to be repaid within one year.

2. Transfers To and From Other Funds

There were no amounts transferred to and from other funds during the year ended August 31, 2023.

F. Long-term Obligations

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2023, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
General obligation bonds	$ 9,360,000	$ -	$3,010,000	$6,350,000	$1,800,000
Premium on bonds	2,022,935	-	314,061	1,708,874	-
Notes payable	2,991,702	784,636	834,577	2,941,761	625,252
Right-to-use leases payable	21,916	274,149	59,988	236,077	63,087
Total Governmental Activities	$14,396,553	$1,058,785	$4,218,626	$11,236,712	$2,488,339

2. Debt Service Requirements

Debt service requirements on long-term debt excluding the premium on bonds at August 31, 2023, are as follows:

	Governmental Activities		
Year Ending August 31,	Principal	Interest	Total
2024	$2,488,339	$ 472,008	$ 2,960,347
2025	1,313,926	347,914	1,661,840
2026	1,475,131	282,427	1,757,558
2027	1,349,443	211,661	1,561,104
2028	1,200,999	207,474	1,408,473
2029-2030	1,700,000	128,500	1,828,500
Totals	$9,527,838	$1,649,984	$11,177,822

3. General Obligation Bonds

A summary of changes in general obligation bonds for the year ended August 31, 2023, is as follows:

	Amounts Outstanding 9/1/22	Issued	Retired	Amounts Outstanding 8/31/23
Unlimited Tax Refunding Bonds, Series 2020, Original Issue of $14,560,000, Interest 5.00%	$9,360,000	$ -	$3,010,000	$6,350,000

There are a number of limitations and restrictions contained in the general obligation bonds indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions.

Debt service requirements for the above-listed general obligation bonds are as follows:

	General Obligation Bonds		
Year Ending August 31,	Principal	Interest	Total
2024	$1,800,000	$ 317,500	$2,117,500
2025	590,000	227,500	817,500
2026	715,000	198,000	913,000
2027	755,000	162,250	917,250
2028	790,000	186,750	976,750
2029-2030	1,700,000	128,500	1,828,500
Totals	$6,350,000	$1,220,500	$7,570,500

4. Advance Refundings of Debt

The District defeased a portion of the Series 2020 general obligation bonds in the current year by placing the necessary funds in an irrevocable trust to provide for the future debt service payments of those bonds. This refunding decreased the total future debt service requirements by $1,430,000 and resulted in an economic gain of $30,474.

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt" provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of August 31, 2023, the balance of the Series 2020 general obligation bonds that has been refunded and defeased in-substance by placing the existing assets in an irrevocable trust to provide for the future debt service payments totaled $1,300,000. This amount will be paid in 2024-25 when they became callable.

5. Notes Payable

A summary of changes in notes payable for the year ended August 31, 2023, is as follows:

	Amounts Outstanding 9/1/22	Issued	Retired	Amounts Outstanding 8/31/23
2013 QSCB Maintenance Tax Notes, original issue of $5,900,000, interest at 5.11%, annual principal payments of $275,000 to $535,000 through 8/15/2028, secured by pledge of maintenance and operations taxes	$2,828,618	$ -	$435,000	$2,393,618
KS State Bank note payable, original amount of $492,240, interest at 6.00%, monthly payments of $9,516 until November 2026	-	492,240	161,535	330,705
CSI Leasing payable, original amount $292,397, interest at 1.70%, annual payments of $74,958 until July 2026	-	292,396	74,958	217,438
Spirit of Texas Capital Improvement Bond, original amount of $633,704, interest at 3.59%	163,084	-	163,084	-
	$2,991,702	$784,636	$834,577	$2,941,761

Debt service requirements for the above listed notes payable are as follows:

	Notes Payable		
Year Ending August 31,	Principal	Interest	Total
2024	$ 625,252	$146,213	$ 771,465
2025	658,269	114,689	772,958
2026	691,799	81,377	773,176
2027	562,823	48,689	611,512
2028	403,618	20,625	424,243
Totals	$2,941,761	$411,593	$3,353,354

The notes are authorized by Title 1 Texas Administrative Code, Chapter 5.401.

6. Right-to-use Leases Payable

The Public Property Finance Act authorizes the District to enter into lease agreements for the purchase of personal property.

The District leased copiers with an initial lease value of $216,130. Forty-eight monthly payments of $4,880 are due each month beginning in December 2022. The lease is computed at the District's incremental borrowing rate of 4.00%.

The District leased copiers with an initial lease value of $58,018. Sixty monthly payments of $1,068 are due each month beginning in April 2023. The lease is computed at the District's incremental borrowing rate of 4.00%.

The assets under capital lease and related accumulated depreciation at August 31, 2023 are included in right-to-use leased assets in Note D.

Debt service requirements on the right-to-use leases payable at August 31, 2023 are as follows:

	Right-to-use Leases Payable		
Year Ending August 31,	Principal	Interest	Total
2024	$ 63,087	$ 8,295	$ 71,382
2025	65,657	5,725	71,382
2026	68,332	3,050	71,382
2027	31,620	722	32,342
2028	7381	99	7,480
Totals	$236,077	$17,891	$253,968

G. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2023, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

The District has elected to participate in a self-insurance plan for workers' compensation benefits. The plan is authorized by Section 504.011 of the Labor Code. Claims Administrative Services, Inc. acts as third-party administrator of the Texas Educational Insurance Association.

H. Defined Benefit Pension Plan

1. Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by TRS. It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

2. Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the internet at https://www.trs.texas.gov/Pages/aboutpublications.aspx; by writing to TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592.

3. Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using a 2.3 percent multiplier times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the

member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on the date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLAs). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

Texas Government Code section 821.006 prohibits benefit improvements if, as a result of a particular action, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

4. Contributions

Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution, which requires the Texas Legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Contribution Rates	2022	2023
Members (Employees)	8.00%	8.00%
Non-Employer Contributing Entity (State)	7.75%	8.00%
Employer (District)	7.75%	8.00%
Members (Employees)	$1,304,635	$1,306,440
Non-Employer Contributing Entity (State)	$ 870,781	$ 861,802
Employer (District)	$ 646,167	$ 686,412

Contributors to the Plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools, and state agencies including TRS. In each respective role, the State contributes to the Plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.

--- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to:

--- All public schools, charter schools, and regional educational service centers must contribute 1.7% of the member's salary beginning in fiscal year 2022, gradually increasing to 2% in fiscal year 2025.

--- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

5. Actuarial Assumptions

The total pension liability in the August 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2022	3.91%, source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Benefit Changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions please see the actuarial valuation report dated November 12, 2021.

6. Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of

return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2022 are summarized below:

Asset Class*	Target Allocation % **	Long-term Expected Geometric Real Rate of Return ***	Expected Contribution to Long-term Portfolio Returns
Global Equity			
USA	18.0%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity	14.0%	7.7%	1.55%
Stable Value			
Government Bonds	16.0%	1.0%	0.22%
Absolute Return	0.0%	3.7%	0.00%
Stable Value Hedge Funds	5.0%	3.4%	0.18%
Real Return			
Real Estate	15.0%	4.1%	0.94%
Energy, Natural Resources and Infrastructure	6.0%	5.1%	0.37%
Commodities	0.0%	3.6%	0.00%
Risk Parity			
Risk Parity	8.0%	4.6%	0.43%
Asset Allocation Leverage			
Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	-6.0%	3.6%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ****			-0.93%
Expected Return	100.00%		8.19%

* Absolute Return includes Credit Sensitive Investments.
** Target allocations are based on the FY2022 policy model.
*** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2022).
****The volatility drag results from the conversion between arithmetic and geometric mean returns.

7. Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using the discount rate of 7.00%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	$12,788,644	$8,220,926	$4,518,576

8. Pension Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

At August 31, 2023, the District reported a liability of $8,220,926 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for the State pension support provided to the District. The

amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	$ 8,220,926
State's proportionate share that is associated with the District	10,986,153
Total	$19,207,079

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2023, the District's proportion of the collective net pension liability was 0.000138475359%, which was an increase of .000007840518% from its proportion measured as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25% to 7.00%.

For the year ended August 31, 2023, the District recognized pension expense of $1,050,152 and revenue of $863,515 for support provided by the State.

At August 31, 2023, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual actuarial experience	$ 119,203	$179,232
Changes in actuarial assumptions	1,531,826	381,774
Difference between projected and actual investment earnings	812,201	-
Changes in proportion and difference between District contributions and proportionate share of contributions	288,731	303,484
Contributions paid to TRS subsequent to the measurement date of the net pension liability	686,412	-
Total	$3,438,373	$864,490

$686,412 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the plan year ending August 31, 2023. The net amounts of the District's balances of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Year Ended August 31	Pension Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2023	$479,982	$1,407,489
2024	227,163	1,180,326
2025	50,331	1,129,995
2026	966,049	163,946
2027	163,946	-

I. Defined Other Post-Employment Benefit Plans

1. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

2. OPEB Plan Fiduciary Net Position

Detailed information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at http://www.trs.texas.gov/Pages/aboutpublications.aspx; by writing to TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592.

3. Benefits Provided

TRS-Care provides health insurance coverage to retirees from public and charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retirees are reflected in the following table.

TRS-Care Monthly Premium Rates		
	Medicare	Non-Medicare
Retiree or Surviving Spouse	$ 135	$200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

4. Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of Trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, Section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates

	2022	2023
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/private funding remitted by Employers	1.25%	1.25%
Employer Contributions	$160,278	$160,143
Member Contributions	$106,002	$106,148
NECE On-behalf Contributions	$196,788	$178,772

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether they participate in the TRS Care OPEB program). When hiring a TRS retiree, employers are required to pay to TRS Care a monthly surcharge of $535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of $83 million in fiscal year 2022 from the Federal Rescue Plan Act (ARPA) to help defray COVID-19-related health care costs during fiscal year 2022.

5. Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the total OPEB liability to August 31, 2022. The actuarial valuation was determined using the following actuarial assumptions.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022:

Rates of Mortality	Rates of Disability
Rates of Retirement	General Inflation
Rates of Termination	Wage Inflation

The active mortality rates were based on 90% of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner

Mortality Tables, with full generational projection using the ultimate improvement rates from the mortality projection scale MP 2018.

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% to 9.05%, including inflation
Healthcare Trend Rates	8.25% for Medicare retirees and 7.25% for non-Medicare retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.
Election Rates	Normal Retirement: 62% participation rate prior to age 65 and 25% participation rate after age 65. 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

6. Discount Rate

A single discount rate of 3.91% was used to measure the total OPEB liability. There was an increase of 1.96% in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2021 using the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

7. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% lower than and 1% higher than the discount rate that was used (3.91%) in measuring the net OPEB liability.

	1% Decrease 2.91%	Current Discount Rate 3.91%	1% Increase 4.91%
District's proportionate share of the net OPEB liability	$5,509,223	$4,672,478	$3,994,608

The following schedule presents the net OPEB liability of the plan using the assumed healthcare cost trend rate as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the current healthcare cost trend rate	$3,850,143	$4,672,478	$5,738,530

8. OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEBs

At August 31, 2023, the District reported a liability of $4,672,478 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for the State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	$ 4,672,478
State's proportionate share that is associated with the District	5,699,690
Total	$10,372,168

The net OPEB liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2023, the District's proportion of the collective net OPEB liability was 0.000195141889%, compared to 0.000188013188% as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

-- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability.

Changes of Benefit Terms Since the Prior Measurement Date

There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was negative $531,278.

At August 31, 2023, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual economic experience	$ 259,773	$3,892,594
Changes in actuarial assumptions	711,711	3,246,160
Difference between projected and actual investment earnings	13,919	-
Changes in proportion and difference between District contributions and proportionate share of contributions	674,808	207,074
Contributions paid to TRS subsequent to the measurement date	160,143	-
Total	$1,820,354	$7,345,828

$160,143 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the plan year ending August 31, 2023. The remaining net amounts of the District's balances of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended August 31	OPEB Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2023	($1,063,568)	($4,622,049)
2024	(1,063,518)	(3558,531)
2025	(865,374)	(2,693,157)
2026	(597,122)	(2,096,035)
2027	(713,885)	(1,382,150)
Thereafter	(1,382,150)	-

For the year ended August 31, 2023, the District recognized OPEB expense of negative $808,832 and revenue of $195,514 for support provided by the State.

9. Medicare Part D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments have been recognized as equal revenues and expenditures by the District in the amount of $89,663, $69,621, and $72,459 for the years ended August 31, 2023, 2022, and 2021, respectively.

J. Commitments and Contingencies

1. Contingencies

The District participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

No reportable litigation was pending against the District as of August 31, 2023.

3. Construction Commitments

As of August 31, 2023, the District had not incurred or made any additional commitments and/or contingencies in connection with construction or other areas of significance.

K. Worker's Compensation Coverage

During the year ended August 31, 2023, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute interlocal agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of $2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds these reserves. As of August 31, 2022, the Fund carries a discounted reserve of $50,647,775 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2023, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022 are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Prior to September 1, 2011 and September 1, 2015, the District and Wise County Shared Services, respectively, had participated in a self-funded plan through Hibbs-Hallmark & Company / Claims Administrative Services (CAS) in the West Texas Education Insurance Association.

As of August 31, 2023, the workers' compensation benefit obligation consisted of $4,063 in reported unpaid claims and estimated incurred but not reported claims. These amounts represent estimated ultimate costs to settle claims. Net position at year-end contains a balance of $1,884. A summary of the changes in the benefit obligation is as follows:

Balance as of September 1, 2022		$5,890
Incurred claims/adjustments:		
Provision for insured events for 2022-23	$ -	
Provision for insured events for prior years	(1,641)	
Total incurred claims/adjustments		(1,641)
Payments:		
Claims attributable to insured events for 2022-23	-	
Claims attributable to insured events for prior years	186	
Total payments		186
Balance as of August 31, 2023		$4,063

L. Economic Dependency

The District's top two taxpayers' tax levy equals $2,858,296, or approximately 15%, of the total levy for 2022-23. A significant decline in tax receipts from either of those entities could have a material adverse effect on the District's operations.

M. Shared Services Arrangements

Shared Services Arrangement – Fiscal Agent

The District is the fiscal agent for a Shared Services Arrangement (SSA) which provides special education services to the member districts listed below. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

Member Districts	Special Education Expenditures
Alvord ISD	$ 335,238
Boyd ISD	376,735
Bridgeport ISD	645,464
Chico ISD	221,338
Paradise ISD	524,573
Slidell ISD	100,711
Total	$2,204,059

N. Prior Period Adjustments

During the current year, adjustments were necessary to correct the District's beginning fund balances and net position. The prior period adjustments are as follows:

	General Fund	SSA Special Ed. Fund	Governmental Activities	Totals
Write-off old outstanding bank items	($123,695)	$ -	($123,695)	($123,695)
Correct Wise County Shared Services 8/31/2022 overpayment	164,441	-	164,441	164,441
Reduce duplicate 2021-22 revenues	(47,000)	-	(47,000)	(47,000)
Write-off 8/31/2022 receivable	(31,219)	-	(31,219)	(31,219)
Adjust Wise County Shared Services beginning equity to correct accounts	-	(492,697)	(492,697)	(492,697)
Adjust out bad accounts receivable	-	(4,893)	(4,893)	(4,893)
Totals	($ 37,473)	($497,590)	($535,063)	($535,063)

O. Change of Fiscal Year

During the year ended August 31, 2023, the District's Board approved changing its fiscal year-end to June 30 effective September 1, 2023. Therefore, the reporting period beginning September 1, 2023 will consist of ten months, September 1, 2023 to June 30, 2024. After the initial year of the change, the reporting period will be July 1 to June 30.

P. Subsequent Events

In September 2023, the District purchased a tract of land totaling 73.84 acres for $2,200,567.

REQUIRED SUPPLEMENTARY INFORMATION

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance With Final Budget - Positive (Negative)
	Revenues				
5700	Local and intermediate sources	$ 16,115,179	$ 16,013,848	$ 16,159,865	$ 146,017
5800	State program revenues	4,516,768	4,983,236	4,732,234	(251,002)
5900	Federal program revenues	609,804	-	112,786	112,786
5020	Total revenues	21,241,751	20,997,084	21,004,885	7,801
	Expenditures				
	Instruction & instructional related services:				
0011	Instruction	9,859,766	9,636,171	9,569,419	66,752
0012	Instructional resources and media services	101,294	136,239	131,029	5,210
0013	Curriculum and staff development	38,506	53,231	42,617	10,614
	Total instruction and instructional related services	9,999,566	9,825,641	9,743,065	82,576
	Instructional and school leadership:				
0021	Instructional leadership	308,864	309,182	307,992	1,190
0023	School leadership	1,373,955	1,412,475	1,416,599	(4,124)
	Total instructional and school leadership	1,682,819	1,721,657	1,724,591	(2,934)
	Support services - student (pupil):				
0031	Guidance, counseling and evaluation services	461,719	468,789	469,558	(769)
0033	Health services	272,319	279,748	279,421	327
0034	Student transportation	1,051,507	1,055,821	922,881	132,940
0036	Cocurricular/extracurricular activities	1,218,610	1,217,839	1,223,250	(5,411)
	Total support services - student (pupil)	3,004,155	3,022,197	2,895,110	127,087
	Administrative support services:				
0041	General administration	1,353,247	1,479,588	1,338,706	140,882
	Total administrative support services	1,353,247	1,479,588	1,338,706	140,882
	Support services - nonstudent based:				
0051	Facilities maintenance and operations	2,854,141	3,500,145	3,456,447	43,698
0052	Security and monitoring services	171,741	228,246	235,700	(7,454)
0053	Data processing services	483,207	1,032,443	1,000,680	31,763
	Total support services - nonstudent based	3,509,089	4,760,834	4,692,827	68,007
	Debt service:				
0071	Principal on long-term debt	598,178	815,371	801,488	13,883
0072	Interest on long-term debt	150,973	174,615	178,844	(4,229)
	Total debt service	749,151	989,986	980,332	9,654
	Intergovernmental charges:				
0093	Payments to shared service arrangements	625,600	667,492	645,464	22,028
0099	Other intergovernmental charges	318,124	297,468	297,468	-
	Total intergovernmental charges	943,724	964,960	942,932	22,028

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Budgeted Amounts			Variance With Final Budget - Positive (Negative)
		Original	Final	Actual	
6030	Total expenditures	21,241,751	22,764,863	22,317,563	447,300
1100	Excess of revenues over (under) expenditures	-	(1,767,779)	(1,312,678)	455,101
	Other Financing Sources				
7913	Issuance of right-to-use lease liabilities	-	274,150	216,130	(58,020)
7914	Issuance of note payable	-	705,530	705,530	-
7080	Total other financing sources	-	979,680	921,660	(58,020)
1200	**Net change in fund balance**	-	(788,099)	(391,018)	397,081
0100	**Fund balances - beginning, as originally stated**	10,802,014	10,802,014	10,802,014	-
1300	**Prior period adjustments**	(37,473)	(37,473)	(37,473)	-
	Fund balances - beginning, as restated	10,764,541	10,764,541	10,764,541	-
3000	**Fund balances - ending**	$ 10,764,541	$ 9,976,442	$ 10,373,523	$ 397,081

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2023

	2023	2022	2021
District's proportion of the net pension liability	0.013847536%	0.013063484%	0.013207499%
District's proportionate share of the net pension liability	$ 8,220,926	$ 3,226,807	$ 7,073,667
State's proportionate share of the net pension liability associated with the District	10,986,153	5,196,448	11,211,409
Total	$ 19,207,079	$ 8,423,255	$ 18,285,076
District's covered employee payroll	$ 16,307,942	$ 15,913,183	$ 15,894,180
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	50.41%	20.28%	44.50%
Plan fiduciary net position as a percentage of the total pension liability	75.62%	88.79%	75.54%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

2020	2019	2018	2017	2016	2015
0.014080944%	0.014497556%	0.014464412%	0.014347600%	0.015400100%	0.011315000%
$ 7,319,715	$ 7,979,807	$ 4,624,940	$ 5,421,726	$ 5,443,730	$ 3,022,394
10,113,003	11,366,013	6,926,663	8,721,923	8,154,814	7,210,432
$ 17,432,718	$ 19,345,820	$ 11,551,603	$ 14,143,649	$ 13,598,544	$ 10,232,826
$ 14,673,911	$ 14,775,752	$ 14,573,952	$ 14,506,829	$ 13,923,218	$ 13,902,371
49.88%	54.01%	31.73%	37.37%	39.10%	21.74%
75.24%	73.74%	82.17%	78.00%	83.25%	78.43%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2023

	2023	2022	2021
Contractually required contribution	$ 686,412	$ 646,167	$ 557,481
Contributions in relation to the contractually required contribution	(686,412)	(646,167)	(557,481)
Contribution deficiency	$ -	$ -	$ -
District's covered employee payroll	$ 16,330,497	$ 16,307,942	$ 15,913,183
Contributions as a percentage of covered employee payroll	4.20%	3.96%	3.50%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

2020	2019	2018	2017	2016	2015
$ 545,145	$ 491,946	$ 488,450	$ 474,059	$ 455,858	$ 456,715
(545,145)	(491,946)	(488,450)	(474,059)	(455,858)	(456,715)
$ -	$ -	$ -	$ -	$ -	$ -
$ 15,894,180	$ 14,673,911	$ 14,775,752	$ 14,574,055	$ 14,506,829	$ 13,923,218
3.43%	3.35%	3.31%	3.25%	3.14%	3.28%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OTHER POST EMPLOYMENT BENEFIT (OPEB) LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2023

	2023	2022	2021
District's proportion of the net OPEB liability	0.019514189%	0.018801319%	0.019231916%
District's proportionate share of the net OPEB liability	$ 4,672,478	$ 7,252,509	$ 7,310,920
State's proportionate share of the net OPEB liability associated with the District	5,699,690	9,716,746	9,824,124
Total	$ 10,372,168	$ 16,969,255	$ 17,135,044
District's covered employee payroll (Plan year end August 31)	$ 16,307,942	$ 15,913,183	$ 15,894,180
District's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	28.65%	45.58%	46.00%
Plan fiduciary net position as a percentage of the total OPEB liability	11.52%	6.18%	4.99%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Note - the column label is the District's fiscal year. The data is derived from the Teacher Retirement System of Texas' Annual Comprehensive Financial Report for the preceding year.

2020	2019	2018
0.019008115%	0.018827958%	0.018316945%
$ 8,989,170	$ 9,400,972	$ 7,965,352
11,944,597	12,012,436	10,869,923
$ 20,933,767	$ 21,413,408	$ 18,835,275
$ 14,673,911	$ 14,775,752	$ 14,573,952
61.26%	63.62%	54.65%
2.66%	1.57%	0.91%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S OTHER POST EMPLOYMENT BENEFIT (OPEB) CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2023

	2023	2022	2021
Contractually required contribution	$ 160,143	$ 160,278	$ 146,881
Contributions in relation to the contractually required contribution	(160,143)	(160,278)	(146,881)
Contribution deficiency	$ -	$ -	$ -
District's covered employee payroll	$ 16,330,497	$ 16,307,942	$ 15,913,183
Contributions as a percentage of covered employee payroll	0.98%	0.98%	0.92%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Note - the contractually required contribution is for the District's indicated fiscal year.

2020	2019	2018
$ 146,176	$ 129,441	$ 129,897
(146,176)	(129,441)	(129,897)
$ -	$ -	$ -
$ 15,894,180	$ 14,673,911	$ 14,775,752
0.92%	0.88%	0.88%

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2023

A. Budget

The official budget was prepared for adoption for all Governmental Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data:

1. Prior to August 20th of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the Board of Trustees is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.

3. Prior to the beginning of the fiscal year, the budget is legally enacted through passage of a resolution by the Board of Trustees.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

During the year ended August 31, 2023, the District expended more than the General Fund budgeted amount in the functional areas of school leadership expenditures by $4,124, guidance, counseling and evaluation expenditures by $769, cocurricular/extracurricular activities expenditures by $5,411, security and monitoring services expenditures by $7,454, and interest on long-term debt by $4,229.

B. Defined Benefit Pension Plan

1. Change of Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

2. Changes of Assumptions

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period:

- The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.

C. OPEB Plan

1. Change of Benefit Terms

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

2. Changes of Assumptions

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability. Lower participation rates and updates to the health care trend rate assumptions were also factors that decreased the total OPEB liability.

OTHER SUPPLEMENTARY INFORMATION SECTION

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2023

Fiscal Year Ending August 31,	1 Tax Rates Maintenance	2 Tax Rates Debt Service	3 Assessed/Appraised Value for School Tax Purposes
2014 and Prior Years	$ Various	$ Various	$ Various
2015	1.0400	0.1928	1,466,643,685
2016	1.0400	0.1800	1,401,361,494
2017	1.0400	0.2045	1,263,098,634
2018	1.0400	0.2082	1,269,694,332
2019	1.0400	0.2082	1,332,152,782
2020	0.9700	0.2082	1,406,563,731
2021	0.9664	0.1577	1,425,435,734
2022	0.9242	0.1370	1,532,352,507
2023 (School year under audit)	0.8546	0.2066	1,791,888,670
1000 Totals			

Amount of taxes refunded under Section 26.115, Tax Code

10 Beginning Balance 9/1/2022	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/2023
$ 99,911	$ -	$ 2,666	$ 494	$ (32,219)	$ 64,532
18,273	-	599	111	(4,884)	12,679
20,015	-	1,133	196	(2,665)	16,021
21,100	-	2,191	431	(1,897)	16,581
26,948	-	(5,420)	(1,085)	(9,430)	24,023
50,836	-	(2,629)	(526)	(12,228)	41,763
85,341	-	3,877	832	(20,884)	59,748
136,764	-	11,263	1,838	(28,517)	95,146
252,535	-	82,033	12,157	(46,198)	112,147
-	19,014,985	14,974,080	3,619,466	(83,119)	338,320
$ 711,723	$ 19,014,985	$ 15,069,793	$ 3,633,914	$ (242,041)	$ 780,960
		$ 994			

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAM
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Original	Final	Actual	Variance With Final Budget - Positive (Negative)
	Revenues				
5700	Local and intermediate sources	$ 250,000	$ 252,000	$ 294,385	$ 42,385
5800	State program revenues	36,000	40,869	43,387	2,518
5900	Federal program revenues	918,823	1,111,586	1,279,814	168,228
5020	Total revenues	1,204,823	1,404,455	1,617,586	213,131
	Expenditures				
	Support services - student (pupil):				
0035	Food services	1,397,811	1,563,849	1,515,417	48,432
	Total support services - student (pupil)	1,397,811	1,563,849	1,515,417	48,432
6030	Total expenditures	1,397,811	1,563,849	1,515,417	48,432
1100	Excess of revenues over (under) expenditures	(192,988)	(159,394)	102,169	261,563
1200	**Net change in fund balance**	(192,988)	(159,394)	102,169	261,563
0100	**Fund balances - beginning**	894,681	894,681	894,681	-
3000	**Fund balances - ending**	$ 701,693	$ 735,287	$ 996,850	$ 261,563

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance With Final Budget - Positive (Negative)
	Revenues				
5700	Local and intermediate sources	$ 3,732,740	$ 3,896,950	3,838,221	$ (58,729)
5800	State program revenues	1	75,907	75,907	-
5020	Total revenues	3,732,741	3,972,857	3,914,128	(58,729)
	Expenditures				
	Debt service:				
0071	Principal on long-term debt	3,263,240	3,121,307	1,710,000	1,411,307
0072	Interest on long-term debt	468,000	468,000	468,000	-
0073	Bond issuance costs and fees	1,501	500	12,280	(11,780)
	Total debt service	3,732,741	3,589,807	2,190,280	1,399,527
6030	Total expenditures	3,732,741	3,589,807	2,190,280	1,399,527
1100	Excess of revenues over expenditures	-	383,050	1,723,848	1,340,798
	Other Financing Uses				
8949	Other use - payment to refunding escrow agent	-	-	(1,399,526)	(1,399,526)
7080	Total other financing uses	-	-	(1,399,526)	(1,399,526)
1200	**Net change in fund balance**	-	383,050	324,322	(58,728)
0100	**Fund balance - beginning**	1,669,487	1,669,487	1,669,487	-
3000	**Fund balance - ending**	$ 1,669,487	$ 2,052,537	$ 1,993,809	$ (58,728)

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF REQUIRED RESPONSES RELATIVE TO COMPENSATORY AND BILINGUAL EDUCATION PROGRAMS FOR THE YEAR ENDED AUGUST 31, 2023

Data Codes		Column 1 Responses
	Section A: Compensatory Education Programs	
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	No
AP3	List the state allotment funds received for state compensatory education programs during the District's fiscal year.	$ 1,913,989
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	$ 1,504,352
	Section B: Bilingual Education Programs	
AP5	Did your LEA expend any bilingual education program state allotment funds during the District's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	No
AP7	List the state allotment funds received for bilingual education programs during the District's fiscal year.	$ 327,998
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	$ 598,287

EDGIN, PARKMAN, FLEMING & FLEMING, PC
CERTIFIED PUBLIC ACCOUNTANTS

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A. PAUL FLEMING, CPA

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Board of Trustees
Bridgeport Independent School District
2107 15th Street
Bridgeport, Texas 76426

Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bridgeport Independent School District (District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 2, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Edgin, Parkman, Fleming & Fleming, PC

Edgin, Parkman, Fleming & Fleming, PC

January 2, 2024

EDGIN, PARKMAN, FLEMING & FLEMING, PC
CERTIFIED PUBLIC ACCOUNTANTS

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A. PAUL FLEMING, CPA

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Trustees
Bridgeport Independent School District
2107 15th Street
Bridgeport, Texas 76426

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bridgeport Independent School District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal programs for the year ended August 31, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended August 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal programs. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as Finding 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards required the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Edgin, Parkman, Fleming & Fleming, PC

Edgin, Parkman, Fleming & Fleming, PC

January 2, 2024

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2023

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	X Yes	No
Significant deficiencies identified that are not considered to be material weaknesses?	Yes	X None reported
Noncompliance material to the financial statements noted?	X Yes	No

2. Federal and State Awards

Internal control over major programs:		
One or more material weaknesses identified?	Yes	X No
One or more significant deficiencies identified that are not considered to be material weaknesses?	Yes	X None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported under CFR Section 200.516(a)	X Yes	No

Identification of major programs:

Education Stabilization Fund:	
CRRSA – ESSER II	84.425d
ARP – ESSER III	84.425u
Child Nutrition Cluster:	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program	10.559

Dollar threshold used to distinguish between Type A and Type B federal programs:	$750,000	
Auditee qualified as low-risk auditee?	X Yes	No

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D.)
FOR THE YEAR ENDED AUGUST 31, 2023

B. Financial Statement Findings

Finding 2023-001 – Material Weakness in Internal Control over Financial Reporting

Criteria

The District's internal control over financial reporting should ensure accurate reporting in the District's financial statements.

Condition

The District did not complete the monthly bank reconciliations on a timely basis throughout the year. Two bank accounts did not have completed reconciliations until early November 2023, and three were completed in late September 2023.

Cause

Due to vacancies and staffing changes in the business office, the bank reconciliations had not been completed prior to the start of the new Chief Financial Officer.

Effect

Monthly bank reconciliations are critical to ensuring that all bank transactions are recorded accurately.

Recommendation

We recommend that the District perform the bank reconciliations on a monthly basis for all accounts.

View of Responsible Officials and Planned Corrective Actions

Please refer to the Corrective Action Plan prepared by the District's management.

Finding 2023-002 – Material Weakness in Internal Control over Financial Reporting

Criteria

The District's internal control over financial reporting should ensure accurate reporting in the District's financial statements.

Condition

The District's accounting process allows for an individual to handle the entire process without review or oversight relative to the bank reconciliation process and preparation of journal entries.

Cause

There is no separation of duties and oversight in the bank reconciliation process and preparation of journal entries.

Effect

Errors could occur in the bank reconciliations or journal entries without being detected by management.

Recommendation

We recommend that the District improve its internal controls over bank reconciliations and journal entries.

View of Responsible Officials and Planned Corrective Actions

Please refer to the Corrective Action Plan prepared by the District's management.

Finding 2023-003 – Material Weakness in Internal Control over Financial Reporting

Criteria

The District's internal control over financial reporting should ensure accurate reporting in the District's financial statements.

Condition

The District does not have any written procedures for the business office, activity funds, or federal funds.

Cause

Turnover in the business office staff and lack of guidance has left the District with no written procedures manual for vital accounting processes.

Effect

Without a written procedures manual, the District could be subject to inconsistent accounting and internal control procedures.

Recommendation

We recommend that the District develop a written procedures manual for the business office, activity funds, and federal funds.

View of Responsible Officials and Planned Corrective Actions

Please refer to the Corrective Action Plan prepared by the District's management.

C. Federal Award Findings and Questioned Costs

Finding 2023-004 – Material Noncompliance over Food Service Fund Excess Fund Balance

Criteria

The Texas Department of Agriculture (TDA) requires that the fund balance of the District's Food Service Fund not exceed three months of average expenditures.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D.)
FOR THE YEAR ENDED AUGUST 31, 2023

Condition

The fund balance of the District's Food Service Fund had a balance of $996,850 at August 31, 2023 and the Food Service Fund expenditures for the year ended August 31, 2023 were $1,515,417. The entire amount is restricted to the National School Breakfast and Lunch Program (NSBLP). Since the District provides meals for 10 months of the year, the average monthly expenditures were $151,542 or $454,626 for three months. Consequently, the excess fund balance at August 31, 2023 was $542,224.

Cause

The District's additional food service operating costs for the NSBLP are significantly lower than the reimbursements that the District receives for the NSBLP meals served.

Effect

The District is not in compliance with TDA's maximum fund balance of the Food Service Fund requirement.

Recommendation

On June 8, 2023, the District submitted an Excess Net Cash Resources Plan to TDA that included spending $494,680 for cafeteria equipment. This amount is $47,544 short of the computed overage at August 31, 2023. We recommend that the District develop a plan approved by TDA in order to spend the excess fund balance on approved expenditures.

View of Responsible Officials and Planned Corrective Actions

Please refer to the Corrective Action Plan prepared by the District's management.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

Corrective Action Plan
Year Ended August 31, 2023

Finding 2023-001 – Material Weakness in Internal Control over Financial Reporting

The District agrees with the finding and will work diligently to make sure the monthly bank reconciliations are performed in a timely manner. As of the audit report, all bank reconciliations are current.

Person Responsible for Implementing the Corrective Action Plan:

Dr. Amy Ellis, Superintendent.

Finding 2023-002 – Material Weakness in Internal Control over Financial Reporting

The District agrees with the finding and will work diligently to make sure all bank reconciliations and journal entries are reviewed by a third party.

Person Responsible for Implementing the Corrective Action Plan:

Dr. Amy Ellis, Superintendent.

Finding 2023-003 – Material Weakness in Internal Control over Financial Reporting

The District agrees with the finding and will work diligently to make sure there is a written procedures manual for all business office, activity funds, and federal funds transactions.

Person Responsible for Implementing the Corrective Action Plan:

Dr. Amy Ellis, Superintendent.

Finding 2023-004 – Material Noncompliance over Food Service Fund Excess Fund Balance

The District agrees with the finding and will work with TDA to develop a plan to spend the excess fund balance on approved NSBLP expenditures, and maintain an appropriate amount of fund balance in the future.

Person Responsible for Implementing the Corrective Action Plan:

Dr. Amy Ellis, Superintendent.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

Summary Schedule of Prior Audit Findings
Year Ended August 31, 2023

Finding 2022-001 – Material Noncompliance over Food Service Fund Expenditures in Excess of Budgeted Amounts

In the prior year, the District exceeded the budgeted expenditures for the Food Service Fund. During the year ended August 31, 2023, the District's total expenditures for Food Services was $48,432 below the budgeted amount. There were some over expended budgets in the General Fund for the year ended August 31, 2023; however, since they were not material, no finding was reported.

Finding 2022-002 – Material Noncompliance over Food Service Fund Excess Fund Balance

In the prior year, the District had excess fund balance of $519,240 in its Food Service Fund at August 31, 2022. During the year ended August 31, 2023, the District still had excess fund balance of $542,224. See Finding 2023-004.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures and Indirect Costs	Amount Relating to Pass-Through to Subrecipients
U.S. Department of Agriculture				
Child Nutrition Cluster:				
Passed Through Texas Department of Agriculture:				
National School Lunch Program (Non-cash)	10.555	71302301	$ 100,731	$ -
COVID-19 - Pandemic Electronic Benefit Transfer	10.555	249-903	3,135	-
COVID-19 - Supply Chain Assistance Grant	10.555	226TXA400N8901	77,770	-
Total Passed Through Texas Department of Agriculture			181,636	-
Passed Through State Department of Education:				
School Breakfast Program	10.553	71402301	282,859	-
National School Lunch Program	10.555	71302301	834,741	-
Total Passed Through State Department of Education			1,117,600	-
Total Child Nutrition Cluster			1,299,236	-
Total U.S. Department of Agriculture			1,299,236	-
U.S.Department of Education				
Passed Through State Department of Education:				
ESEA Title I Part A - Improving Basic Programs	84.010A	23610101249903	415,730	-
Special Education Cluster:				
IDEA-B Formula	84.027A	236600012499036000	1,056,200	-
High Cost Fund	84.027A	66002306	41,578	41,578
Total Assistance Listing Number 84.027A			1,097,778	41,578
IDEA-B Formula-ARP Carryover	84.027X	225350022499035000	181,851	-
IDEA-B Preschool	84.173A	236610012499036000	29,090	-
IDEA-B Preschool-ARP Carryover	84.173X	225360022499035000	13,342	-
Total Special Education Cluster			1,322,061	41,578
Vocation Education: Basic Grants to States	84.048B	22420006249903	19,827	-
Title III, Part A - English Language Acquisition	84.365A	23671001249903	64,625	-
ESEA Title II Part A - Teacher & Principal Training & Recruiting	84.367A	23694501249903	74,416	-
LEP Summer School	84.369A	69552102	4,357	-
ESEA Title IV, Part A, Subpart 1 - Student Support and Academic Enrichment Program	84.424A	23680101249903	21,451	-
Education Stabilization Fund:				
COVID-19 - CRRSA - ESSER II	84.425D	21521001249903	723,452	-
COVID-19 - ARP - ESSER III	84.425U	21528001249903	1,122,266	-
Total Education Stabilization Fund			1,845,718	-
Total Passed Through State Department of Education			3,768,185	41,578
Total U.S. Department of Education			3,768,185	41,578

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures and Indirect Costs	Amount Relating to Pass-Through to Subrecipients
U.S.Department of Health and Human Services				
Passed Through State Department of Education:				
COVID-19 - School Health Support	93.323	22393503249903	79,107	-
Total Passed Through State Department of Education			79,107	-
Total U.S. Department of Health and Human Services			79,107	-
Total Expenditures of Federal Awards			$ 5,146,528	$ 41,578

The accompanying notes are an integral part of this schedule.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Bridgeport Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from the amounts presented in, or used in the preparation of, the basic financial statements.

B. Reconciliation of Federal Expenditures per the SEFA to the Basic Financial Statements

Amount of federal revenues per Exhibit C-2	$5,259,314
Less Medicaid reimbursements not considered to be federal awards for inclusion on the Schedule of Expenditures of Federal Awards	(112,786)
Total expenditures of federal awards per the Schedule of Expenditures of Federal Awards	$5,146,528

C. De Minimis Indirect Cost Rate

Entities that receive federal awards for which an indirect cost rate has never been negotiated may elect to charge a de minimis indirect cost rate of ten percent of modified total direct costs. The District did not elect to charge the de minimis rate to any of its federal awards during the year ended August 31, 2023.

BRIDGEPORT INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS (UNAUDITED)
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		Responses
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	Yes
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts and laws related to local, state, or federal funds?	Yes
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end	$ -